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# ***Combining and Individual Fund Financial Statements - Statutory Basis***

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# *Individual Budgeted Funds*

## **GENERAL FUND:**

The General Fund is the Commonwealth's primary Governmental Fund. All governmental activities not specifically directed to another fund are accounted for in the General Fund. As a result, most budgeted expenditures of the Executive secretariats, the Legislature, constitutional offices, institutions of higher education and independent commissions and a portion of expenditures for the judicial system are paid for from the General Fund. It similarly receives a significant portion of sales, individual income and corporate taxes, and the full amount of most other governmental taxes.

## **HIGHWAY FUND:**

The Highway Fund accounts for highway user taxes including the gas tax and fees; used to finance highway maintenance and safety services, and provide matching funds for federally sponsored highway projects as required.

**Infrastructure Fund (Subfund of Highway Fund)** details specific components of revenue and expenditure related to the Highway Fund, segregated per instructions in Section 20 of Chapter 29 of the General Laws.

## **LOCAL AID FUND:**

The Local Aid Fund accounts for revenue from sales, income, other corporate taxes and lottery profits which have been earmarked for distribution to cities and towns or are used to finance programs that benefit local communities, and a major portion of the court systems.

## **COMMONWEALTH STABILIZATION FUND:**

The Commonwealth Stabilization Fund accounts for amounts calculated in accordance with state finance law and maintain a reserve to enhance the Commonwealth's fiscal stability.

## **ADMINISTRATIVE CONTROL FUNDS:**

To account for the revenues generated by certain administrative functions of government, for which the Legislature has required that separate funds be established.

**Tax Reduction Fund** accounts for the maintenance of a reserve which shall be used only to reduce personal income taxes.

**Intragovernmental Service Fund** accounts for the charges of any state agency for services provided by another state agency, for example, charges levied by the public employee retirement administration for worker's compensation chargeback.

**Revenue Maximization Fund** accounts for increased collections as a result of special initiatives; these revenues become available for expenditure by the various state agencies.

**Collective Bargaining Reserve Fund** accounts for transfers from the general fund which may be used to fund negotiated contracts for state employees.

**Commonwealth Fiscal Recovery Fund** accounts for dedicated taxes, investment income and payments for debt service on the Commonwealth Fiscal Recovery Bonds.

## **ENVIRONMENTAL FUNDS:**

These funds account for a variety of revenues which finance programs to preserve, protect and enhance the environment.

**Natural Heritage and Endangered Species Fund** accounts for revenues from public and private sources and/or the federal government as reimbursements, grants, donations or other receipts; used to acquire by purchase, lease, easement or license land critical to nongame wildlife and

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endangered species for purposes of protecting and enhancing nongame wildlife.

**Mosquito and Greenhead Fly Control Fund** accounts for assessments to cities and towns of various mosquito control districts; appropriated to support activities designed to control mosquitoes and/or greenhead flies.

**Inland Fisheries and Game Fund** accounts for revenues from license and permit fees for inland fishing, hunting and trapping and/or the sales of land, rights and properties, gifts, interest, and federal grant reimbursements; used for developing, maintaining and operating the division of fisheries.

**Environmental Challenge Fund** accounts for collections of penalties and fines related to inappropriate disposal of hazardous waste and other environmental infractions; used for cleanup, control or response actions for oil and hazardous materials, and to reduce the production of hazardous waste.

**Toxics Use Reduction Fund** accounts for the fees, penalties, and other financial charges collected by the Toxic Use Reduction Institute including grants or gifts collected. Appropriations are for the specific purpose of cleaning up and reducing toxic waste.

**Clean Environment Fund** accounts for programs for recycling compost, solid waste source reduction and other environmental programs which are financed through unclaimed bottle deposits escheated to the Commonwealth.

**Environmental Permitting and Compliance Assurance Fund** accounts for revenues from the issuance of permits for the removal of hazardous materials and certain other fees; used to fund the cost of monitoring, discharge sampling and analysis, inspection, technical assistance, and enforcement activities necessary to ensure compliance by persons holding permits.

**Underground Storage Tank Petroleum Product Cleanup Fund** accounts for fees, penalties, grants, gifts or other contributions used to provide reimbursements for cleanup and other expenses incurred as a result of damage caused by underground storage tanks and systems.

**Environmental Law Enforcement Fund** accounts for revenues from certain gas taxes, federal grants, and revenue from law enforcement coverage details throughout the Commonwealth; used for operating the division of law enforcement.

**Public Access Fund** accounts for revenues from certain gas taxes and federal reimbursements; used for the cost of acquisition, construction, maintenance operation and improvement of public access to state owned lands.

**Harbors and Inland Waters Maintenance Fund** accounts for certain fines, permits and federal reimbursements used for maintenance, dredging and cleaning of harbors, inland waters and great ponds.

**Marine Fisheries Fund** to account for revenues from certain gas taxes, licenses, and fees; used to manage the division of marine fisheries.

**Watershed Management Fund** accounts for revenues from the sale of wood products harvested on watershed lands, and assessments from the Massachusetts Water Resource Authority; used to maintain and operate the MDC Watershed Division.

**Low Level Radioactive Waste Management Fund** accounts for assessments on persons licensed or registered to receive, possess, use, transfer or acquire radioactive material; used for the expenses of the Low Level Radioactive Waste Management Board to carry out its duties.

**Asbestos Cost Recovery Fund** accounts for revenues from court judgments/settlements relative to the removal of asbestos; used for operations, maintenance, encapsulation and removal of asbestos.

**Clean Air Act Compliance Fund** accounts for revenues from permit applications and grants; used for the implementation, administration, monitoring and analysis of permitting compliance and enforcement of technical assistance programs.

**Solid Waste Disposal Fund** accounts for monies received relative to solid waste disposal including assessments from cities and towns to be

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appropriated for the purpose of management, maintenance and operation of solid waste disposal facilities.

**Second Century Fund** accounts for fees or charges for use of the Commonwealth's system of parks, forests or other natural resources subject to the oversight of the department of environmental management pursuant to section two of chapter twenty-one; and expenditure for the enhancement, improvement and maintenance of forest and parks systems.

#### **OTHER FUNDS:**

To account for a variety of miscellaneous taxes, fees, fines and other revenues which are restricted to the financing of specific Commonwealth programs.

**Antitrust Law Enforcement Fund** accounts for fines, penalties received and expenses paid related to actions brought by the Attorney General in connection with antitrust actions.

**Victim and Witness Assistance Fund** accounts for assessments imposed on individuals convicted of crimes; used to make grants to District Attorney's Offices and the Parole Board for programs serving crime victims and witnesses.

**Intercity Bus Capital Assistance Fund** accounts for the acquisition of vehicles for inter-city transportation and the revenues and costs associated with their operation.

**Motorcycle Safety Fund** accounts for motorcycle registration fees collected to administer motorcycle safety programs.

**Drug Analysis Fund** accounts for certain revenues received by the courts resulting from fines; used for the cost of analysis of controlled substances.

**Re-Employment and Job Placement Fund** accounts for the excise on employer contributions and activities authorized under Title III and Title IX of the Social Security Act and Title V of the Job Training Partnership Act.

#### **Trust Fund for the Head Injury Treatment Services**

accounts for revenues from a surcharge on fines resulting from DUI convictions; funds the Massachusetts Rehabilitation Commission's statewide head injury program to develop and maintain non-residential rehabilitation services for head injured persons.

**Massachusetts Tourism Fund** accounts for revenues received from hotel taxes; used to fund the Office of Travel and Tourism promotions and the Massachusetts Convention Center Authority.

**Health Care Access Fund** accounts for a portion of the cigarette tax fees assessed from certain programs, and federal reimbursements associated with the uncompensated care pool; used for establishing a program of preventive pediatric health care services, universal immunizations and managed care community health centers.

**Ponkapoag Recreational Fund** accounts for a portion of golf course revenues; used for the capital improvement, purchase of equipment, and maintenance of the golf course.

**Leo J. Martin Recreation Fund** accounts for a portion of golf course revenues; used for the capital improvement, purchase of equipment and maintenance of the golf course.

**Division of Insurance Fund** accounts for revenues collected from agent licenses to a maximum amount of three million dollars; used to fund the cost related to accreditation from the National Association of Insurance Commissioners.

**Health Protection Fund** accounts for a portion of the cigarette tax, penalties, forfeitures, interest, settlements of lawsuits and fines collected in connection with sales of cigarettes; used to supplement existing funding for school health education programs, workplace and community smoking prevention and cessation programs, public service advertising, and for support of community health centers and their programs of prenatal and maternal care.

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**State Transportation Building Management**

accounts for revenues rentals, and commissions, such as parking fees and expenditures for the maintenance and operation of the building. (consolidated into the State Building Management Fund in FY96).

**Springfield State Office Building Management**

accounts for rentals and expenditures for the operation and maintenance of the building (consolidated into the State Building Management Fund in FY96).

**State Building Management Fund**

accounts for revenue rentals and commissions, such as parking fees and expenditures for the maintenance and operation of the Springfield State Office Building, the State Transportation Building and other facilities.

**Reggie Lewis Track and Athletic Center Fund**

accounts for revenues from user fees, concession stand commissions and other fees; used for equipment repair, maintenance and nonpayroll operating expenses.

**Assisted Living Administration Fund**

accounts for certification fees; used for operating expenses associated with the regulation of Elder Affairs Assisted Living.

**Commonwealth Economic Development Fund**

accounts for monies transferred from the federal loan interest fund; used to promote employee and worker training, education and the general economic development of the Commonwealth.

**Commonwealth Cost Relief Fund**

accounts for transfers from other funds; used for subsidies and other assistance for water pollution abatement projects, mitigation of sewer rate increases, and for extraordinary expenditures of the Commonwealth.

**Children's and Senior's Health Fund**

accounts for a portion of the cigarette and smokeless tobacco tax, inventory tax and related investment income; to be appropriated for the provision of medical benefits to expansion beneficiaries and a five year pilot program of pharmacy assistance.

**Diversity Awareness Education Trust Fund**

accounts for fines and related interest or investment earnings from the trial courts from assault and battery cases with the intent to intimidate based on race, color, religion, sexual orientation, nationality or disability; to be appropriated for the purpose of developing and maintaining diversity awareness educational programs and courses for persons convicted of such crimes.

**Caseload Increase Mitigation Fund**

accounts for revenues or other financing sources directed by budget to be appropriated for increased costs due to excessive welfare cases or to accomodate for fluctuations in federal funding for the Department of Transitional Assistance.

**Division of Banks**

Fund accounts for transfers from a statutory calculation to be appropriated for the purposes of examinations as outlined in section two of Chapter 167 of M.G.L. (inactive in FY97).

**University of Massachusetts Lowell Wannalancit Complex Building Management Fund**

accounts for revenues from leasing, operation, granting of concession or other use of the Wannalancit Complex; used to meet obligations related to operation and ownership of the complex (inactive in FY97).

**Budgeted Funds**  
Combining Balance Sheet - Statutory Basis

June 30, 1997  
(Amounts in thousands)

ASSETS	General	Highway	Local Aid
Cash and short-term investments.....	\$ 758,779	\$ 377,291	\$ -
Cash with fiscal agent.....	-	24,077	-
Advances to related entity.....	229,063	-	-
Receivables, net of allowance for uncollectibles:			
Taxes.....	6,486	-	-
Due from federal government.....	371,503	43	-
Other receivables.....	43,129	-	-
Due from cities and towns.....	140,912	-	668
Due from other funds.....	3,657	-	-
Total assets.....	<u>\$ 1,553,529</u>	<u>\$ 401,411</u>	<u>\$ 668</u>

**LIABILITIES AND FUND BALANCES**

Liabilities:			
Deficiency in cash and short-term investments.....	\$ -	\$ -	\$ 1,206,082
Accounts payable.....	358,120	26,727	150,364
Accrued payroll.....	14,050	797	51
Notes payable.....	-	-	-
Total liabilities.....	<u>372,170</u>	<u>27,524</u>	<u>1,356,497</u>
Fund balances (deficits):			
Reserved for:			
Continuing appropriations.....	80,459	145	36,755
Commonwealth stabilization.....	-	-	-
Tax reduction fund - current.....	-	-	-
Tax reduction fund - future.....	-	-	-
Debt service.....	-	24,077	-
Unreserved:			
Undesignated.....	1,100,900	349,665	(1,392,584)
Total fund balances (deficits).....	<u>1,181,359</u>	<u>373,887</u>	<u>(1,355,829)</u>
Total liabilities and fund balances.....	<u>\$ 1,553,529</u>	<u>\$ 401,411</u>	<u>\$ 668</u>

Commonwealth Stabilization	Administrative Control	Environmental	Other	Totals	
				1997	1996
\$ 799,300	\$ 167,022	\$ 3,495	\$ 265,477	\$ 2,371,364	\$ 1,987,290
-	746	-	-	24,823	22,571
-	-	-	-	229,063	227,512
-	-	-	-	6,486	3,158
-	-	-	-	371,546	194,073
-	-	9,647	-	52,776	43,328
-	-	-	-	141,580	138,766
-	-	-	-	3,657	7,901
<u>\$ 799,300</u>	<u>\$ 167,768</u>	<u>\$ 13,142</u>	<u>\$ 265,477</u>	<u>\$ 3,201,295</u>	<u>\$ 2,624,599</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,206,082	\$ 530,950
-	12,007	13,647	25,120	585,985	642,722
-	7	250	27	15,182	37,919
-	-	-	-	-	240,000
<u>-</u>	<u>12,014</u>	<u>13,897</u>	<u>25,147</u>	<u>1,807,249</u>	<u>1,451,591</u>
-	36,729	11,372	14,800	180,260	240,773
799,300	-	-	-	799,300	543,303
-	91,764	-	-	91,764	150,000
-	-	-	-	-	81,722
-	20,814	-	-	44,891	22,571
<u>-</u>	<u>6,447</u>	<u>(12,127)</u>	<u>225,530</u>	<u>277,831</u>	<u>134,639</u>
<u>799,300</u>	<u>155,754</u>	<u>(755)</u>	<u>240,330</u>	<u>1,394,046</u>	<u>1,173,008</u>
<u>\$ 799,300</u>	<u>\$ 167,768</u>	<u>\$ 13,142</u>	<u>\$ 265,477</u>	<u>\$ 3,201,295</u>	<u>\$ 2,624,599</u>

## Budgeted Funds

### Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	General	Highway	Local Aid	Commonwealth Stabilization
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 7,546,903	\$ 514,560	\$ 4,297,166	\$ -
Assessments.....	199,666	10,250	-	-
Federal grants and reimbursements.....	2,971,955	2,675	-	-
Departmental.....	636,124	317,357	1,761	-
Miscellaneous.....	105,803	1,836	282	21,744
Total revenues.....	11,460,451	846,678	4,299,209	21,744
Other financing sources:				
Fringe benefit cost recovery.....	196,996	-	-	-
Lottery reimbursements.....	76,486	-	-	-
Lottery distributions.....	343	-	684,794	-
Transfer for MBTA contract assistance.....	137,869	-	-	-
Caseload mitigation.....	-	-	-	-
Operating transfers in.....	164,303	-	-	-
Collective bargaining reserve.....	-	-	-	-
Stabilization transfer.....	-	-	-	234,253
Transfer for tax reduction.....	90,000	-	60,000	-
Total other financing sources.....	665,997	-	744,794	234,253
Total revenues and other financing sources.....	12,126,448	846,678	5,044,003	255,997
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Legislature.....	48,968	-	-	-
Judiciary.....	40,863	-	381,713	-
Inspector General.....	1,602	-	-	-
Governor and Lieutenant Governor.....	5,263	-	-	-
Secretary of the Commonwealth.....	10,127	-	6,106	-
Treasurer and Receiver-General.....	92,466	636	2,916	-
Auditor of the Commonwealth.....	12,071	-	695	-
Attorney General.....	21,891	8	682	-
Ethics Commission.....	581	-	584	-
District Attorney.....	378	-	53,517	-
Office of Campaign & Political Finance.....	334	-	336	-
Disabled Persons Protection Commission.....	1,397	-	-	-
Board of Library Commissioners.....	1,837	-	2,025	-
Comptroller.....	6,104	-	-	-
Administration and finance.....	749,390	5,428	120,055	-
Environmental affairs.....	51,293	27,158	26,647	-
Health and human services.....	3,467,775	-	1,009	-
Transportation and construction.....	498,916	177,115	117,000	-
Education.....	12,215	-	138,476	-
Educational affairs.....	-	-	-	-
Higher education.....	795,406	-	263	-
Public safety.....	364,913	186,212	232,826	-
Economic development.....	108,927	-	29,872	-
Elder affairs.....	130,491	-	9,192	-
Consumer affairs.....	30,199	2,032	-	-
Labor.....	30,238	2	113	-
Direct local aid.....	839	43,472	3,513,828	-
Medicaid.....	3,383,531	-	72,000	-
Pension.....	358,508	74,185	635,480	-
Debt service:				
Principal retirement.....	330,495	126,022	40,877	-
Interest and fiscal charges.....	265,639	170,933	68,003	-
Total expenditures.....	10,822,657	813,203	5,454,215	-
Other financing uses:				
Fringe benefit cost assessment.....	-	-	46,014	-
Transfer for MBTA contract assistance.....	-	45,956	91,913	-
Operating transfers out.....	10,066	2,981	1,004	-
Sewer rate relief.....	-	-	44,107	-
Collective bargaining reserve.....	50,000	-	-	-
Caseload mitigation.....	128,000	-	-	-
Capital investment trust fund transfer.....	229,800	-	-	-
Surplus transfer for capital projects.....	89,503	-	-	-
Stabilization transfer.....	180,552	-	53,701	-
Transfer for tax reduction.....	-	-	-	-
Total other financing uses.....	687,921	48,937	236,739	-
Total expenditures and other financing uses.....	11,510,578	862,140	5,690,954	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	615,870	(15,462)	(646,951)	255,997
Fund balances (deficit) at beginning of year (as restated).....	565,489	389,349	(708,878)	543,303
Fund balances (deficit) at end of year.....	\$ 1,181,359	\$ 373,887	\$ (1,355,829)	\$ 799,300

Administrative Control	Environmental	Other	Totals	
			1997	1996
\$ 278,975	\$ 7,502	\$ 219,395	\$ 12,864,501	\$ 12,049,183
-	16,154	-	226,070	238,440
41,256	3,806	-	3,019,692	3,039,091
79,523	47,240	25,731	1,107,736	1,078,011
16,407	22,939	212	169,223	132,594
416,161	97,641	245,338	17,387,222	16,537,319
671	-	-	197,667	216,887
-	-	-	76,486	76,558
-	-	-	685,137	651,496
-	-	-	137,869	157,523
-	-	128,000	128,000	-
9,651	107	2,671	176,732	262,522
50,000	-	-	50,000	60,000
-	-	-	234,253	177,405
-	-	-	150,000	231,722
60,322	107	130,671	1,836,144	1,834,113
476,483	97,748	376,009	19,223,366	18,371,432
-	-	-	48,968	48,728
3,478	-	-	426,054	401,821
-	-	-	1,602	1,567
-	-	-	5,263	4,682
125	-	-	16,358	14,259
38	-	534	96,590	103,369
-	-	-	12,766	12,378
-	-	950	23,531	22,282
28	-	-	1,193	1,139
-	-	6,440	60,335	54,428
-	-	-	670	652
32	-	-	1,429	1,355
-	-	-	3,862	2,383
626	-	-	6,730	6,390
82,388	4,718	30,658	992,637	958,716
1,155	70,748	1,576	178,577	184,614
13,199	-	95,285	3,577,268	3,526,520
1,056	-	-	794,087	817,434
131	-	28,718	179,540	149,033
-	-	-	-	5,345
8,702	1,827	272	806,470	743,902
23,249	15,157	5,638	827,995	800,637
132	-	24,959	163,890	163,729
20	-	1,131	140,834	137,053
314	-	2,822	35,367	33,874
32	-	7,828	38,213	31,275
-	-	-	3,558,139	3,246,232
-	-	-	3,455,531	3,415,949
-	1,011	-	1,069,184	1,004,551
253,065	-	-	750,459	676,687
20,500	-	5	525,080	506,877
408,270	93,461	206,816	17,798,622	17,077,861
572	12,672	3,759	63,017	66,181
-	-	-	137,869	157,523
52,650	135	30	66,866	131,034
-	-	10,291	54,398	23,200
-	-	-	50,000	60,000
-	-	-	128,000	-
-	-	-	229,800	-
-	-	-	89,503	-
-	-	-	234,253	177,405
150,000	-	-	150,000	231,722
203,222	12,807	14,080	1,203,706	847,065
611,492	106,268	220,896	19,002,328	17,924,926
(135,009)	(8,520)	155,113	221,038	446,506
290,763	7,765	85,217	1,173,008	726,502
\$ 155,754	\$ (755)	\$ 240,330	\$ 1,394,046	\$ 1,173,008

## Budgeted Funds

### Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis - Budget And Actual

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	General			Highway		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES AND OTHER FINANCING SOURCES</b>						
Revenues:						
Taxes.....	\$ 7,067,900	\$ 7,546,903	\$ 479,003	\$ 516,100	\$ 514,560	\$ (1,540)
Assessments.....	-	199,666	199,666	-	10,250	10,250
Federal grants and reimbursements.....	2,967,600	2,971,955	4,355	4,000	2,675	(1,325)
Departmental.....	812,600	636,124	(176,476)	320,000	317,357	(2,643)
Miscellaneous.....	-	105,803	105,803	-	1,836	1,836
Total revenues.....	10,848,100	11,460,451	612,351	840,100	846,678	6,578
Other financing sources:						
Fringe benefit cost recovery.....	-	196,996	196,996	-	-	-
Lottery reimbursements.....	86,539	76,486	(10,053)	-	-	-
Lottery distributions.....	343	343	-	-	-	-
Transfer for MBTA contract assistance.....	-	137,869	137,869	-	-	-
Caseload mitigation.....	-	-	-	-	-	-
Operating transfers in.....	211,918	164,303	(47,615)	-	-	-
Collective bargaining reserve.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Transfer for tax reduction.....	-	90,000	90,000	-	-	-
Total other financing sources.....	298,800	665,997	367,197	-	-	-
Total revenues and other financing sources.....	11,146,900	12,126,448	979,548	840,100	846,678	6,578
<b>EXPENDITURES AND OTHER FINANCING USES</b>						
Expenditures:						
Legislature.....	70,895	48,968	21,927	-	-	-
Judiciary.....	42,086	40,863	1,223	-	-	-
Inspector General.....	1,612	1,602	10	-	-	-
Governor and Lieutenant Governor.....	6,364	5,263	1,101	-	-	-
Secretary of the Commonwealth.....	10,921	10,127	794	-	-	-
Treasurer and Receiver-General.....	100,589	92,466	8,123	709	636	73
Auditor of the Commonwealth.....	12,074	12,071	3	-	-	-
Attorney General.....	22,179	21,891	288	8	8	-
Ethics Commission.....	581	581	-	-	-	-
District Attorney.....	432	378	54	-	-	-
Office of Campaign & Political Finance.....	335	334	1	-	-	-
Disabled Persons Protection Commission.....	1,402	1,397	5	-	-	-
Board of Library Commissioners.....	1,837	1,837	-	-	-	-
Comptroller.....	6,122	6,104	18	-	-	-
Administration and finance.....	803,213	749,390	53,823	5,881	5,428	453
Environmental affairs.....	59,486	51,293	8,193	29,411	27,158	2,253
Health and human services.....	3,568,509	3,467,775	100,734	-	-	-
Transportation and construction.....	499,253	498,916	337	179,515	177,115	2,400
Education.....	12,386	12,215	171	-	-	-
Higher education.....	799,253	795,406	3,847	-	-	-
Public safety.....	373,022	364,913	8,109	188,367	186,212	2,155
Economic development.....	114,572	108,927	5,645	-	-	-
Elder affairs.....	130,987	130,491	496	-	-	-
Consumer affairs.....	31,444	30,199	1,245	2,040	2,032	8
Labor.....	34,082	30,238	3,844	2	2	-
Direct local aid.....	3,748	839	2,909	43,472	43,472	-
Medicaid.....	3,445,736	3,383,531	62,205	-	-	-
Pension.....	361,585	358,508	3,077	74,836	74,185	651
Debt service:						
Principal retirement.....	334,895	330,495	4,400	127,700	126,022	1,678
Interest and fiscal charges.....	279,973	265,639	14,334	173,209	170,933	2,276
Total expenditures.....	11,129,573	10,822,657	306,916	825,150	813,203	11,947
Other financing uses:						
Fringe benefit cost assessment.....	-	-	-	-	-	-
Transfer for MBTA contract assistance.....	-	-	-	45,956	45,956	-
Operating transfers out.....	10,066	10,066	-	2,981	2,981	-
Sewer rate relief.....	-	-	-	-	-	-
Collective bargaining reserve.....	50,000	50,000	-	-	-	-
Caseload mitigation.....	128,000	128,000	-	-	-	-
Capital investment trust fund transfer.....	229,800	229,800	-	-	-	-
Surplus transfer for capital projects.....	-	89,503	(89,503)	-	-	-
Stabilization transfer.....	100,000	180,552	(80,552)	-	-	-
Transfer for tax reduction.....	-	-	-	-	-	-
Total other financing uses.....	517,866	687,921	(170,055)	48,937	48,937	-
Total expenditures and other financing sources.....	11,647,439	11,510,578	136,861	874,087	862,140	11,947
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(500,539)	615,870	1,116,409	(33,987)	(15,462)	18,525
Fund balances (deficit) at beginning of year.....	565,489	565,489	-	389,349	389,349	-
Fund balances (deficit) at end of year.....	\$ 64,950	\$ 1,181,359	\$ 1,116,409	\$ 355,362	\$ 373,887	\$ 18,525

Local Aid			Commonwealth Stabilization			Administrative Control		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,169,000	\$ 4,297,166	\$ 128,166	\$ -	\$ -	\$ -	\$ 271,400	\$ 278,975	\$ 7,575
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	41,256	41,256
2,100	1,761	(339)	21,000	-	(21,000)	11,336	79,523	68,187
-	282	282	-	21,744	21,744	-	16,407	16,407
4,171,100	4,299,209	128,109	21,000	21,744	744	282,736	416,161	133,425
-	-	-	-	-	-	-	671	671
-	-	-	-	-	-	-	-	-
631,200	684,794	53,594	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	9,651	9,651
-	-	-	-	-	-	-	50,000	50,000
-	-	-	-	234,253	234,253	-	-	-
-	60,000	60,000	-	-	-	-	-	-
631,200	744,794	113,594	-	234,253	234,253	-	60,322	60,322
4,802,300	5,044,003	241,703	21,000	255,997	234,997	282,736	476,483	193,747
-	-	-	-	-	-	-	-	-
392,727	381,713	11,014	-	-	-	3,478	3,478	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
6,120	6,106	14	-	-	-	125	125	-
3,512	2,916	596	-	-	-	38	38	-
696	695	1	-	-	-	-	-	-
685	682	3	-	-	-	-	-	-
584	584	-	-	-	-	28	28	-
54,027	53,517	510	-	-	-	-	-	-
336	336	-	-	-	-	-	-	-
-	-	-	-	-	-	32	32	-
2,037	2,025	12	-	-	-	-	-	-
-	-	-	-	-	-	641	626	15
152,840	120,055	32,785	-	-	-	131,069	82,388	48,681
28,442	26,647	1,795	-	-	-	1,184	1,155	29
11,260	1,009	10,251	-	-	-	15,186	13,199	1,987
117,355	117,000	355	-	-	-	1,063	1,056	7
143,146	138,476	4,670	-	-	-	131	131	-
304	263	41	-	-	-	11,086	8,702	2,384
239,833	232,826	7,007	-	-	-	23,547	23,249	298
30,696	29,872	824	-	-	-	132	132	-
9,249	9,192	57	-	-	-	20	20	-
-	-	-	-	-	-	314	314	-
128	113	15	-	-	-	32	32	-
3,519,676	3,513,828	5,848	-	-	-	-	-	-
72,000	72,000	-	-	-	-	-	-	-
638,123	635,480	2,643	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
41,421	40,877	544	-	-	-	273,879	253,065	20,814
68,908	68,003	905	-	-	-	20,500	20,500	-
5,534,105	5,454,215	79,890	-	-	-	482,485	408,270	74,215
-	-	-	-	-	-	-	-	-
-	46,014	(46,014)	-	-	-	-	572	(572)
91,913	91,913	-	-	-	-	-	-	-
1,004	1,004	-	-	-	-	52,650	52,650	-
44,107	44,107	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	53,701	(53,701)	-	-	-	-	-	-
-	-	-	-	-	-	150,000	150,000	-
137,024	236,739	(99,715)	-	-	-	202,650	203,222	(572)
5,671,129	5,690,954	(19,825)	-	-	-	685,135	611,492	73,643
-	-	-	-	-	-	-	-	-
(868,829)	(646,951)	221,878	21,000	255,997	234,997	(402,399)	(135,009)	267,390
(708,878)	(708,878)	-	543,303	543,303	-	290,763	290,763	-
\$ (1,577,707)	\$ (1,355,829)	\$ 221,878	\$ 564,303	\$ 799,300	\$ 234,997	\$ (111,636)	\$ 155,754	\$ 267,390

continued

## Budgeted Funds

### Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis - Budget And Actual

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	Environmental			Other		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES AND OTHER FINANCING SOURCES</b>						
Revenues:						
Taxes.....	\$ 8,500	\$ 7,502	\$ (998)	\$ 155,100	\$ 219,395	\$ 64,295
Assessments.....	-	16,154	16,154	-	-	-
Federal grants and reimbursements.....	3,300	3,806	506	-	-	-
Departmental.....	80,538	47,240	(33,298)	23,526	25,731	2,205
Miscellaneous.....	-	22,939	22,939	-	212	212
Total revenues.....	92,338	97,641	5,303	178,626	245,338	66,712
Other financing sources:						
Fringe benefit cost recovery.....	-	-	-	-	-	-
Lottery reimbursements.....	-	-	-	-	-	-
Lottery distributions.....	-	-	-	-	-	-
Transfer for MBTA contract assistance.....	-	-	-	-	-	-
Caseload mitigation.....	-	-	-	-	128,000	128,000
Operating transfers in.....	100	107	7	-	2,671	2,671
Collective bargaining reserve.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Transfer for tax reduction.....	-	-	-	-	-	-
Total other financing sources.....	100	107	7	-	130,671	130,671
Total revenues and other financing sources.....	92,438	97,748	5,310	178,626	376,009	197,383
<b>EXPENDITURES AND OTHER FINANCING USES</b>						
Expenditures:						
Legislature.....	-	-	-	-	-	-
Judiciary.....	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-
Governor and Lieutenant Governor.....	-	-	-	-	-	-
Secretary of the Commonwealth.....	-	-	-	-	-	-
Treasurer and Receiver-General.....	-	-	-	622	534	88
Auditor of the Commonwealth.....	-	-	-	-	-	-
Attorney General.....	-	-	-	953	950	3
Ethics Commission.....	-	-	-	-	-	-
District Attorney.....	-	-	-	6,500	6,440	60
Office of Campaign & Political Finance.....	-	-	-	-	-	-
Disabled Persons Protection Commission.....	-	-	-	-	-	-
Board of Library Commissioners.....	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-
Administration and finance.....	7,381	4,718	2,663	52,924	30,658	22,266
Environmental affairs.....	77,138	70,748	6,390	1,612	1,576	36
Health and human services.....	-	-	-	99,687	95,285	4,402
Transportation and construction.....	-	-	-	-	-	-
Education.....	-	-	-	29,045	28,718	327
Higher education.....	1,886	1,827	59	357	272	85
Public safety.....	17,125	15,157	1,968	5,740	5,638	102
Economic development.....	-	-	-	26,780	24,959	1,821
Elder affairs.....	-	-	-	1,574	1,131	443
Consumer affairs.....	-	-	-	3,505	2,822	683
Labor.....	-	-	-	8,289	7,828	461
Direct local aid.....	-	-	-	-	-	-
Medicaid.....	-	-	-	-	-	-
Pension.....	1,016	1,011	5	-	-	-
Debt service:						
Principal retirement.....	-	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	5	5	-
Total expenditures.....	104,546	93,461	11,085	237,593	206,816	30,777
Other financing uses:						
Fringe benefit cost assessment.....	-	12,672	(12,672)	-	3,759	(3,759)
Transfer for MBTA contract assistance.....	-	-	-	-	-	-
Operating transfers out.....	135	135	-	30	30	-
Sewer rate relief.....	-	-	-	10,291	10,291	-
Collective bargaining reserve.....	-	-	-	-	-	-
Caseload mitigation.....	-	-	-	-	-	-
Capital investment trust fund.....	-	-	-	-	-	-
Surplus transfer for capital projects.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Transfer for tax reduction.....	-	-	-	-	-	-
Total other financing uses.....	135	12,807	(12,672)	10,321	14,080	(3,759)
Total expenditures and other financing sources.....	104,681	106,268	(1,587)	247,914	220,896	27,018
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(12,243)	(8,520)	3,723	(69,288)	155,113	224,401
Fund balances (deficit) at beginning of year.....	7,765	7,765	-	85,217	85,217	-
Fund balances (deficit) at end of year.....	\$ (4,478)	\$ (755)	\$ 3,723	\$ 15,929	\$ 240,330	\$ 224,401

Totals		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 12,188,000	\$ 12,864,501	\$ 676,501
-	226,070	226,070
2,974,900	3,019,692	44,792
1,271,100	1,107,736	(163,364)
-	169,223	169,223
16,434,000	17,387,222	953,222
-	197,667	197,667
86,539	76,486	(10,053)
631,543	685,137	53,594
-	137,869	137,869
-	128,000	128,000
212,018	176,732	(35,286)
-	50,000	50,000
-	234,253	234,253
-	150,000	150,000
930,100	1,836,144	906,044
17,364,100	19,223,366	1,859,266
70,895	48,968	21,927
438,291	426,054	12,237
1,612	1,602	10
6,364	5,263	1,101
17,166	16,358	808
105,470	96,590	8,880
12,770	12,766	4
23,825	23,531	294
1,193	1,193	-
60,959	60,335	624
671	670	1
1,434	1,429	5
3,874	3,862	12
6,763	6,730	33
1,153,308	992,637	160,671
197,273	178,577	18,696
3,694,642	3,577,268	117,374
797,186	794,087	3,099
184,708	179,540	5,168
812,886	806,470	6,416
847,634	827,995	19,639
172,180	163,890	8,290
141,830	140,834	996
37,303	35,367	1,936
42,533	38,213	4,320
3,566,896	3,558,139	8,757
3,517,736	3,455,531	62,205
1,075,560	1,069,184	6,376
777,895	750,459	27,436
542,595	525,080	17,515
18,313,452	17,798,622	514,830
-	63,017	(63,017)
137,869	137,869	-
66,866	66,866	-
54,398	54,398	-
50,000	50,000	-
128,000	128,000	-
229,800	229,800	-
-	89,503	(89,503)
100,000	234,253	(134,253)
150,000	150,000	-
916,933	1,203,706	(286,773)
19,230,385	19,002,328	228,057
(1,866,285)	221,038	2,087,323
1,173,008	1,173,008	-
\$ (693,277)	\$ 1,394,046	\$ 2,087,323

**General Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short term investments.....	\$ 758,779	\$ 585,430
Advances to the MBTA.....	229,063	227,512
Receivables, net of allowance for uncollectibles:		
Taxes.....	6,486	3,158
Due from federal government.....	371,503	194,018
Other receivables.....	43,129	37,466
Due from cities and towns.....	140,912	138,139
Due from other funds.....	3,657	7,901
Total assets.....	<u>\$ 1,553,529</u>	<u>\$ 1,193,624</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 358,120	\$ 356,245
Accrued payroll.....	14,050	31,890
Bonds and notes payable.....	<u>-</u>	<u>240,000</u>
Total liabilities.....	<u>372,170</u>	<u>628,135</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	80,459	114,900
Unreserved fund balance:		
Undesignated.....	<u>1,100,900</u>	<u>450,589</u>
Total fund balance.....	<u>1,181,359</u>	<u>565,489</u>
Total liabilities and fund balance.....	<u>\$ 1,553,529</u>	<u>\$ 1,193,624</u>

**General Fund**  
Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

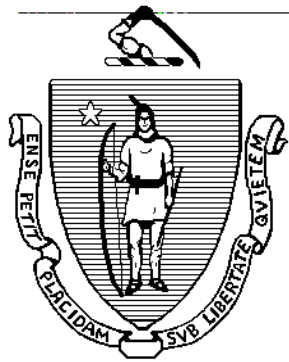
Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ 7,067,900	\$ 7,546,903	\$ 479,003	\$ 7,137,594
Assessments.....	-	199,666	199,666	208,858
Federal grants and reimbursements.....	2,967,600	2,971,955	4,355	2,984,870
Departmental.....	812,600	636,124	(176,476)	641,634
Miscellaneous.....	-	105,803	105,803	75,367
Total revenues.....	10,848,100	11,460,451	612,351	11,048,323
Other financing sources:				
Fringe benefit cost recovery.....	-	196,996	196,996	216,813
Lottery reimbursements.....	86,539	76,486	(10,053)	76,558
Lottery distributions.....	343	343	-	350
Transfer for MBTA contract assistance.....	-	137,869	137,869	157,523
Transfers for tax reduction.....	-	90,000	90,000	-
Operating transfers in.....	211,918	164,303	(47,615)	149,165
Total other financing sources.....	298,800	665,997	367,197	600,409
Total revenues and other sources.....	11,146,900	12,126,448	979,548	11,648,732
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Legislature.....	70,895	48,968	21,927	48,728
Judiciary.....	42,086	40,863	1,223	37,070
Inspector General.....	1,612	1,602	10	1,567
Governor and Lieutenant Governor.....	6,364	5,263	1,101	4,682
Secretary of the Commonwealth.....	10,921	10,127	794	9,288
Treasurer and Receiver-General.....	100,589	92,466	8,123	93,653
Auditor of the Commonwealth.....	12,074	12,071	3	11,656
Attorney General.....	22,179	21,891	288	20,760
Ethics Commission.....	581	581	-	567
District Attorney.....	432	378	54	122
Office of Campaign and Political Finance.....	335	334	1	325
Disabled Persons Protection Commission.....	1,402	1,397	5	1,355
Board of library commissioners.....	1,837	1,837	-	-
Comptroller.....	6,122	6,104	18	6,240

**General Fund**  
**Statements of Revenues, Expenditures And Changes in Fund Balance**

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
Expenditures (continued):				
Administration and finance.....	803,213	749,390	53,823	725,669
Environmental affairs.....	59,486	51,293	8,193	44,398
Health and human services.....	3,568,509	3,467,775	100,734	3,408,542
Transportation and construction.....	499,253	498,916	337	514,254
Education.....	12,386	12,215	171	-
Educational affairs.....	-	-	-	2,334
Higher education.....	799,253	795,406	3,847	729,086
Public safety.....	373,022	364,913	8,109	344,487
Economic development.....	114,572	108,927	5,645	114,641
Elder affairs.....	130,987	130,491	496	128,357
Consumer affairs.....	31,444	30,199	1,245	29,339
Labor.....	34,082	30,238	3,844	27,530
Direct local aid.....	3,748	839	2,909	-
Medicaid.....	3,445,736	3,383,531	62,205	3,347,019
Pension.....	361,585	358,508	3,077	337,174
Debt service:				
Principal retirement.....	334,895	330,495	4,400	281,092
Interest and fiscal charges.....	279,973	265,639	14,334	270,271
Total expenditures.....	11,129,573	10,822,657	306,916	10,540,206
Other financing uses:				
Collective bargaining reserve.....	50,000	50,000	-	60,000
Case load mitigation.....	128,000	128,000	-	-
Capital investment trust fund.....	229,800	229,800	-	-
Surplus transfer for capital projects.....	-	89,503	(89,503)	-
Operating transfers out.....	10,066	10,066	-	57,343
Stabilization transfer.....	100,000	180,552	(80,552)	106,443
Tax reduction fund.....	-	-	-	150,000
Total other financing uses.....	517,866	687,921	(170,055)	373,786
Total expenditures and other uses.....	11,647,439	11,510,578	136,861	10,913,992
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(500,539)	615,870	1,116,409	734,740
Fund balance (deficit) at beginning of year.....	565,489	565,489	-	(169,251)
Fund balance at end of year.....	\$ 64,950	\$ 1,181,359	\$ 1,116,409	\$ 565,489



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# Highway Fund

## Balance Sheet - Statutory Basis

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 377,291	\$ 408,443
Cash with fiscal agent.....	24,077	21,914
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	<u>43</u>	<u>55</u>
Total assets.....	<u>\$ 401,411</u>	<u>\$ 430,412</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 26,727	\$ 37,120
Accrued payroll.....	<u>797</u>	<u>3,943</u>
Total liabilities.....	<u>27,524</u>	<u>41,063</u>
Fund equity:		
Reserved fund balance:		
Reserved for continuing appropriations.....	145	42,713
Reserved for debt service.....	24,077	21,914
Unreserved fund balance:		
Undesignated.....	<u>349,665</u>	<u>324,722</u>
Total fund equity.....	<u>373,887</u>	<u>389,349</u>
Total liabilities and fund equity.....	<u>\$ 401,411</u>	<u>\$ 430,412</u>

# Highway Fund

## Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ 516,100	\$ 514,560	\$ (1,540)	\$ 510,954
Assessments.....	-	10,250	10,250	13,237
Federal grants and reimbursements.....	4,000	2,675	(1,325)	3,516
Departmental.....	320,000	317,357	(2,643)	284,556
Miscellaneous.....	-	1,836	1,836	2,275
Total revenues.....	840,100	846,678	6,578	814,538
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	840,100	846,678	6,578	814,538
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Treasurer and Receiver-General.....	709	636	73	660
Attorney General.....	8	8	-	6
Administration and finance.....	5,881	5,428	453	5,110
Environmental affairs.....	29,411	27,158	2,253	28,651
Transportation and construction.....	179,515	177,115	2,400	199,251
Higher education.....	-	-	-	63
Public safety.....	188,367	186,212	2,155	183,447
Labor.....	2	2	-	-
Consumer affairs.....	2,040	2,032	8	1,987
Direct local aid.....	43,472	43,472	-	43,472
Pension.....	74,836	74,185	651	69,794
Debt service:				
Principal retirement.....	127,700	126,022	1,678	122,769
Interest and fiscal charges.....	173,209	170,933	2,276	139,117
Total expenditures.....	825,150	813,203	11,947	794,327
Other financing uses:				
Transfer for MBTA contract assistance.....	45,956	45,956	-	52,507
Operating transfers out.....	2,981	2,981	-	3,046
Total other financing uses.....	48,937	48,937	-	55,553
Total expenditures and other uses.....	874,087	862,140	11,947	849,880
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(33,987)	(15,462)	18,525	(35,342)
Fund balance at beginning of year.....	389,349	389,349	-	424,691
Fund balance at end of year.....	\$ 355,362	\$ 373,887	\$ 18,525	\$ 389,349

**Infrastructure Fund (Subfund Of Highway Fund)**  
**Balance Sheet - Statutory Basis**

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 458,108	\$ 327,659
Cash with fiscal agent.....	<u>24,076</u>	<u>21,914</u>
Total assets.....	<u>\$ 482,184</u>	<u>\$ 349,573</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	24,076	21,914
Unreserved fund balance:		
Undesignated.....	<u>458,108</u>	<u>327,659</u>
Total fund balance.....	<u>482,184</u>	<u>349,573</u>
Total liabilities and fund balance.....	<u>\$ 482,184</u>	<u>\$ 349,573</u>

Note: The Infrastructure Fund was established by Section 16 of Chapter 121, Acts of 1990 as a subfund of the Highway Fund, and it is a component of, not an addition to, that fund. The entire Highway Fund, including this subfund, is presented in the preceding financial statements labeled Highway Fund.

**Infrastructure Fund (Subfund Of Highway Fund)**  
Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ 175,044	\$ 175,044	\$ -	\$ 174,156
Miscellaneous.....	-	1,450	1,450	1,793
Total revenues.....	175,044	176,494	1,450	175,949
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	175,044	176,494	1,450	175,949
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Debt service:				
Principal retirement.....	14,500	14,500	-	122,769
Interest and fiscal charges.....	29,383	29,383	-	139,117
Total expenditures.....	43,883	43,883	-	261,886
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other uses.....	43,883	43,883	-	261,886
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	131,161	132,611	1,450	(85,937)
Fund balance at beginning of year.....	349,573	349,573	-	435,510
Fund balance at end of year.....	\$ 480,734	\$ 482,184	\$ 1,450	\$ 349,573

Note: The Infrastructure Fund was established by Section 16 of Chapter 121, Acts of 1990 as a subfund of the Highway Fund, and it is a component of, not an addition to, that fund. The entire Highway Fund, including this subfund, is presented in the preceding financial statements labeled Highway Fund.

**Local Aid Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Due from cities and towns.....	\$ 668	\$ 627
Total assets.....	<u>\$ 668</u>	<u>\$ 627</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 1,206,082	\$ 530,950
Accounts payable.....	150,364	177,568
Accrued payroll.....	<u>51</u>	<u>987</u>
Total liabilities.....	<u>1,356,497</u>	<u>709,505</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	36,755	12,103
Unreserved fund deficit:		
Undesignated.....	<u>(1,392,584)</u>	<u>(720,981)</u>
Total fund deficit.....	<u>(1,355,829)</u>	<u>(708,878)</u>
Total liabilities and fund balance.....	<u>\$ 668</u>	<u>\$ 627</u>

**Local Aid Fund**  
Statement of Revenues, Expenditures And Changes in Fund Balance - Statutory Basis

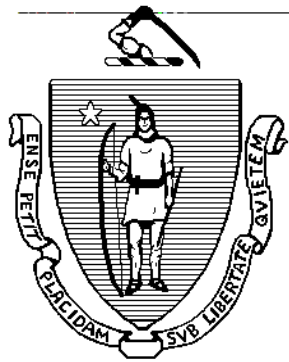
Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ 4,169,000	\$ 4,297,166	\$ 128,166	\$ 3,969,871
Departmental.....	2,100	1,761	(339)	918
Miscellaneous.....	-	282	282	273
Total revenues.....	4,171,100	4,299,209	128,109	3,971,062
Other financing sources:				
Lottery distributions.....	631,200	684,794	53,594	651,146
Transfers for tax reduction.....	-	60,000	60,000	-
Total other financing sources.....	631,200	744,794	113,594	651,146
Total revenues and other sources.....	4,802,300	5,044,003	241,703	4,622,208
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Judiciary.....	392,727	381,713	11,014	344,407
Secretary of the Commonwealth .....	6,120	6,106	14	4,947
Treasurer and Receiver-General.....	3,512	2,916	596	8,242
Auditor of the Commonwealth.....	696	695	1	722
Attorney General.....	685	682	3	642
Ethics Commission.....	584	584	-	572
District Attorney.....	54,027	53,517	510	48,423
Office of Campaign and Political Finance.....	336	336	-	327
Board of Library Commissioners.....	2,037	2,025	12	2,383
Administration and finance.....	152,840	120,055	32,785	118,961
Environmental affairs.....	28,442	26,647	1,795	41,145
Health and human services.....	11,260	1,009	10,251	3,238
Transportation and construction.....	117,355	117,000	355	102,926
Education.....	143,146	138,476	4,670	118,039
Educational affairs.....	-	-	-	1,630
Higher education.....	304	263	41	692

**Local Aid Fund**  
**Statement of Revenues, Expenditures And Changes in Fund Balance**

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
Expenditures (continued):				
Public safety.....	239,833	232,826	7,007	205,051
Economic development.....	30,696	29,872	824	28,329
Elder affairs.....	9,249	9,192	57	8,598
Consumer affairs.....	-	-	-	2
Labor.....	128	113	15	-
Direct local aid.....	3,519,676	3,513,828	5,848	3,202,760
Medicaid.....	72,000	72,000	-	68,930
Pension.....	638,123	635,480	2,643	596,639
Debt service:				
Principal retirement.....	41,421	40,877	544	36,811
Interest and fiscal charges.....	68,908	68,003	905	59,952
Total expenditures.....	<u>5,534,105</u>	<u>5,454,215</u>	<u>79,890</u>	<u>5,004,368</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	46,014	(46,014)	48,075
Transfer for MBTA contract assistance.....	91,913	91,913	-	105,016
Sewer rate relief.....	44,107	44,107	-	23,200
Operating transfers out.....	1,004	1,004	-	2,705
Stabilization transfer.....	-	53,701	(53,701)	70,962
Total other financing uses.....	<u>137,024</u>	<u>236,739</u>	<u>(99,715)</u>	<u>249,958</u>
Total expenditure and other uses.....	<u>5,671,129</u>	<u>5,690,954</u>	<u>(19,825)</u>	<u>5,254,326</u>
Deficiency of revenues and other sources over expenditures and other uses.....	(868,829)	(646,951)	221,878	(632,118)
Fund deficit at beginning of year.....	<u>(708,878)</u>	<u>(708,878)</u>	<u>-</u>	<u>(76,760)</u>
Fund deficit at end of year.....	<u>\$ (1,577,707)</u>	<u>\$ (1,355,829)</u>	<u>\$ 221,878</u>	<u>\$ (708,878)</u>



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**Commonwealth Stabilization Fund**  
Balance Sheet- Statutory Basis

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 799,300	\$ 543,303
Total assets.....	<u>\$ 799,300</u>	<u>\$ 543,303</u>
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund equity:		
Reserved fund balance:		
Reserved for stabilization.....	799,300	543,303
Total fund balance.....	<u>799,300</u>	<u>543,303</u>
Total liabilities and fund balance.....	<u>\$ 799,300</u>	<u>\$ 543,303</u>

**Commonwealth Stabilization Fund**  
Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Departmental.....	\$ 21,000	\$ -	\$ (21,000)	\$ -
Miscellaneous.....	-	21,744	21,744	22,215
Total revenues.....	21,000	21,744	744	22,215
Other financing sources:				
Stabilization transfer.....	-	234,253	234,253	177,405
Total other financing sources.....	-	234,253	234,253	177,405
Total revenues and other sources.....	21,000	255,997	234,997	199,620
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Transfers for tax reduction.....	-	-	-	81,722
Total other financing uses.....	-	-	-	81,722
Total expenditures and other uses.....	-	-	-	81,722
Excess of revenues and other sources over expenditures and other uses.....	21,000	255,997	234,997	117,898
Fund balance at beginning of year.....	543,303	543,303	-	425,405
Fund balance at end of year.....	\$ 564,303	\$ 799,300	\$ 234,997	\$ 543,303

**Tax Reduction Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 91,764	\$ 231,722
Total assets.....	<u>\$ 91,764</u>	<u>\$ 231,722</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for tax reduction - current.....	91,764	150,000
Reserved for tax reduction - future.....	<u>-</u>	<u>81,722</u>
Total fund balance.....	<u>91,764</u>	<u>231,722</u>
Total liabilities and fund balance.....	<u>\$ 91,764</u>	<u>\$ 231,722</u>

**Tax Reduction Fund**  
Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Miscellaneous.....	\$ -	\$ 10,042	\$ 10,042	\$ -
Total revenues.....	-	10,042	10,042	-
Other financing sources:				
Transfers for Tax reduction.....	-	-	-	231,722
Total other financing sources.....	-	-	-	231,722
Total revenues and other sources.....	-	10,042	10,042	231,722
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Transfers for tax reduction.....	150,000	150,000	-	-
Operating transfers out.....	-	-	-	-
Total other financing uses.....	150,000	150,000	-	-
Total expenditures and other uses.....	150,000	150,000	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(150,000)	(139,958)	10,042	231,722
Fund balance at beginning of year.....	231,722	231,722	-	-
Fund balance at end of year.....	\$ 81,722	\$ 91,764	\$ 10,042	\$ 231,722

**Intragovernmental Service Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 10,203	\$ 12,705
Total assets.....	<u>\$ 10,203</u>	<u>\$ 12,705</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 10,021	\$ 12,483
Accrued payroll.....	<u>5</u>	<u>72</u>
Total liabilities.....	<u>10,026</u>	<u>12,555</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	<u>177</u>	<u>150</u>
Total fund balance.....	<u>177</u>	<u>150</u>
Total liabilities and fund balance.....	<u>\$ 10,203</u>	<u>\$ 12,705</u>

**Intragovernmental Service Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ 79,505	\$ 79,505	\$ 82,333
Miscellaneous.....	-	-	-	1,417
Total revenues.....	-	79,505	79,505	83,750
Other financing sources:				
Fringe benefit cost recovery.....	-	671	671	74
Operating transfers in.....	-	9,651	9,651	12,482
Total other financing sources.....	-	10,322	10,322	12,556
Total revenues and other sources.....	-	89,827	89,827	96,306
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Secretary of the Commonwealth.....	125	125	-	24
Administration and finance.....	75,723	74,206	1,517	83,795
Environmental affairs.....	600	571	29	782
Health and human services.....	4,723	4,629	94	1,302
Transportation and construction.....	285	278	7	943
Public safety.....	7,402	7,104	298	6,027
Total expenditures.....	88,858	86,913	1,945	92,873
Other financing uses:				
Fringe benefit cost assessment.....	-	482	(482)	556
Operating transfers out.....	2,405	2,405	-	2,727
Total other financing uses.....	2,405	2,887	(482)	3,283
Total expenditures and other uses.....	91,263	89,800	1,463	96,156
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(91,263)	27	91,290	150
Fund balance at beginning of year.....	150	150	-	-
Fund balance (deficit) at end of year.....	\$ (91,113)	\$ 177	\$ 91,290	\$ 150

**Revenue Maximization Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 3,964	\$ 6,882
Total assets.....	<u>\$ 3,964</u>	<u>\$ 6,882</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 1,595	\$ 1,882
Total liabilities.....	<u>1,595</u>	<u>1,882</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	2,369	5,000
Total fund balance.....	<u>2,369</u>	<u>5,000</u>
Total liabilities and fund balance.....	<u>\$ 3,964</u>	<u>\$ 6,882</u>

**Revenue Maximization Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ 11,686	\$ 11,686	\$ 1,437
Federal grants and reimbursements.....	-	41,256	41,256	47,051
Departmental.....	7,812	18	(7,794)	-
Total revenues.....	<u>7,812</u>	<u>52,960</u>	<u>45,148</u>	<u>48,488</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	<u>7,812</u>	<u>52,960</u>	<u>45,148</u>	<u>48,488</u>
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Comptroller.....	419	404	15	150
Administration and finance.....	10,221	2,245	7,976	1,882
Health and human services.....	4,500	2,607	1,893	-
Total expenditures.....	<u>15,140</u>	<u>5,256</u>	<u>9,884</u>	<u>2,032</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	90	(90)	36
Operating transfers out.....	50,245	50,245	-	42,081
Total other financing uses.....	<u>50,245</u>	<u>50,335</u>	<u>(90)</u>	<u>42,117</u>
Total expenditures and other uses.....	<u>65,385</u>	<u>55,591</u>	<u>9,794</u>	<u>44,149</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(57,573)	(2,631)	54,942	4,339
Fund balance at beginning of year.....	5,000	5,000	-	661
Fund balance (deficit) at end of year.....	<u><u>\$(52,573)</u></u>	<u><u>\$ 2,369</u></u>	<u><u>\$ 54,942</u></u>	<u><u>\$ 5,000</u></u>

**Collective Bargaining Reserve Fund**  
Balance Sheet - Statutory Basis

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 61,091	\$ 53,737
Total assets.....	<u>\$ 61,091</u>	<u>\$ 53,737</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 391	\$ 500
Accrued payroll.....	<u>2</u>	<u>3</u>
Total liabilities.....	<u>393</u>	<u>503</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	34,183	49,772
Unreserved fund balance:		
Undesignated.....	<u>26,515</u>	<u>3,462</u>
Total fund balance.....	<u>60,698</u>	<u>53,234</u>
Total liabilities and fund balance.....	<u>\$ 61,091</u>	<u>\$ 53,737</u>

**Collective Bargaining Reserve Fund**  
Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Collective bargaining reserve.....	-	50,000	50,000	60,000
Total other financing sources.....	-	50,000	50,000	60,000
Total revenues and other sources.....	-	50,000	50,000	60,000
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Judiciary.....	3,478	3,478	-	20,344
Treasurer and Receiver - General.....	38	38	-	-
Ethics Commission.....	28	28	-	-
Disabled Persons Protection Commission.....	32	32	-	-
Comptroller.....	222	222	-	-
Administration and finance.....	45,125	5,937	39,188	-
Environmental affairs.....	584	584	-	-
Health and human services.....	5,963	5,963	-	-
Transportation & Construction.....	778	778	-	-
Education.....	131	131	-	-
Higher education.....	11,086	8,702	2,384	12,122
Public safety.....	16,145	16,145	-	11,300
Economic development.....	132	132	-	-
Elder affairs.....	20	20	-	-
Consumer affairs.....	314	314	-	-
Labor.....	32	32	-	-
Total expenditures.....	84,108	42,536	41,572	43,766
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other uses.....	84,108	42,536	41,572	43,766
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(84,108)	7,464	91,572	16,234
Fund balance at beginning of year.....	53,234	53,234	-	37,000
Fund balance (deficit) at end of year.....	\$ (30,874)	\$ 60,698	\$ 91,572	\$ 53,234

**Commonwealth Fiscal Recovery Fund**  
Balance Sheet - Statutory Basis

June 30, 1997  
(Amounts in thousands)

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash with fiscal agent.....	\$ 746	\$ 657
Total assets.....	<u>\$ 746</u>	<u>\$ 657</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	20,814	657
Unreserved fund balance:		
Undesignated.....	<u>(20,068)</u>	<u>-</u>
Total fund balance.....	<u>746</u>	<u>657</u>
Total liabilities and fund balance.....	<u>\$ 746</u>	<u>\$ 657</u>

**Commonwealth Fiscal Recovery Fund**  
Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1997  
(Amounts in thousands)

	1997 Budget	1997 Actual	Variance Favorable (Unfavorable)	1996 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ 271,400	\$267,289	\$ (4,111)	\$267,192
Departmental.....	3,524	-	(3,524)	-
Miscellaneous.....	-	6,365	6,365	6,300
Total revenues.....	<u>274,924</u>	<u>273,654</u>	<u>(1,270)</u>	<u>273,492</u>
Other financing sources:				
Proceeds of refunding bonds.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	<u>274,924</u>	<u>273,654</u>	<u>(1,270)</u>	<u>273,492</u>
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Debt service:				
Principal retirement.....	273,879	253,065	20,814	236,015
Interest and fiscal charges.....	20,500	20,500	-	37,534
Total expenditures.....	<u>294,379</u>	<u>273,565</u>	<u>20,814</u>	<u>273,549</u>
Other financing uses:				
Payments to refunded bond escrow agents.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other uses.....	<u>294,379</u>	<u>273,565</u>	<u>20,814</u>	<u>273,549</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(19,455)	89	19,544	(57)
Fund balance at beginning of year.....	657	657	-	714
Fund balance (deficit) at end of year.....	<u>\$ (18,798)</u>	<u>\$ 746</u>	<u>\$ 19,544</u>	<u>\$ 657</u>